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TO: The Honorable City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: April 7, 2014

RE: **REVIEW OF CONTRACTS AND PURCHASING FILES**

Attached is the list of contracts and purchase orders recommended by the Finance Department, Purchasing Division, and one contract submitted by the Water and Sewerage Department. The items are submitted to the City Council for referral to the Committees on April 8, 2014.

The comments and review of the Legislative Policy Division staff are printed in bold following the contracts.

Attachments

cc:	Janice Winfrey	City Clerk
	Mark Lockridge	Auditor General
	Palencia Mobley	Mayor's Liaison
	Boysie Jackson	Purchasing Division
	Irvin Corley	Legislative Policy Division
	Marcell Todd	Legislative Policy Division

Statistics compiled for the list of Contracts and Purchases submitted for referral on April 8, 2014.

Department	No. of Contracts or Purchase Orders	Detroit-Based Business Bids	Change, Extension Increases, Renewals	Located in Detroit
Finance – Assessmts.	1	0	0	0
General Services	2	0	2 Extensions	1
Homeland Security	2	0	0	0
Police	1	0	0	0
Public Works Revenue Agreement	1	0	0	0
Recreation	1	0	0	1
Water & Sewerage	1	0	1 Renewal	0
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Totals 1 Revenue Contract	9	0 Detroit-Based Business Bids	2 Extensions 1 Renewal	2

The Honorable City Council
Contracts and Purchase Orders, Statistics
Items Submitted for April 8, 2014

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This list represents appropriations totaling approximately \$ 2,489,900.27¹
1 Revenue Agreement for estimated \$23,250 over 5 years

Included in the total costs are the following:

City General Fund	\$	102,260.00
Grant Fund	\$	283,640.27
Street Fund		
Revenue est. at \$23,250 over 5 years.		
Water and Sewage Funds	\$	2,104,000.00

¹ This list includes: Contracts renewed / extended for 6 months & 1 year, New contracts for 60 days and 3 years
New contracts for one-time payment for goods; and a 3-year Revenue Agreement.

TO: The Honorable City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: April 7, 2014

RE: **CONTRACTS AND PURCHASE ORDERS SCHEDULED TO BE CONSIDERED AT
THE FORMAL SESSION OF April 8, 2014**

FINANCE

2890840 100% City Funding – To Provide Property Assessing/Equalization Sketching Software – Company: Starcap Marketing, Inc. d/b/a APEX Software, Location: 5039 Beckwith Boulevard, Suite 109, San Antonio, TX 78249 – Contract Period: April 1, 2014 through March 31, 2017 – Unit Price \$7,470.00 Per Year – Contract Amount: \$22,410.00 – For (3) Years

Costs budgeted to General Fund, Acct. 1000-230120-000075-617900-00060-0-A5020, Appropriation for Assessments Division includes available funding of \$2,911,659 as of April 4, 2014.

This request is for approval of a contract for the Annual Software Maintenance costs for the Apex Software. This product and services is indicated to be available from a Sole Source which was approved by Purchasing March 24, 2014. In addition to maintenance, Apex is also the Sole Source for Training, Training materials and related resources.

As indicated above, this contract is for the 3 years, from April 1, 2014 through March 31, 2017. According to the invoice submitted by Apex Software, the cost for the Annual Software Maintenance is \$7,470.

The software is used to create and update sketches of land parcels, building footprints and floor plans; the sketches are required by the State Tax Commission as part of the property assessment process.

Contract checklist, Received March 24, 2014, indicates this contract is essential for the Assessing/Equalization system, required by the State Tax Commission; Apex is the owner, manufacturer and sole source provider; the City receives a discount on software and service through the State of Michigan.

Covenant of Equal Opportunity Affidavit signed 10-31-13; TAXES: Good Through 12-11-14 and 6-30-14; Slavery Era Records Disclosure Affidavit signed 10-31-13, indicating no records to disclose; Hiring Policy Compliance Affidavit signed 10-31-13, employment application complies with requirements.

Previously, a Confirming Requisition was submitted for payment of the Annual Software Maintenance costs for the Apex Software; No. 2675297 was approved Nov. 1, 2011, for a cost of \$14,000; it was indicated this was for payment for the years, Dec. 1, 2010 through Nov. 30, 2012 for a cost of \$6,790 per year. This Agreement appears to indicate an increase of 10% in costs.

GENERAL SERVICES

2819571 100% City Funding – To Provide Weed and Grass Cutting and Debris Removal – Company: Brilar, LLC, Location: 13200 Northend Ave., Oak Park, MI 48237 – Contract Period: Extension for Time Only – May 1, 2014 through July 31, 2014 – Contract Amount: \$0.00

Contract Not to Exceed 90 days or Until New Contract is in Effect. Original Contract Period: May 25, 2010 through April 30, 2014

Costs budgeted to General Fund, Acct. 1000-470150-006004-632100-12171-0-A4510, Appropriation for Park Development Workforce includes available funding of \$1,929,620 as of April 4, 2014;

However, this appropriation is indicated to be funded by General Obligation Bonds, rather than General Fund. Mr. Brad Dick indicates the funding for the Department is being sorted out.

This was 1 of 3 contracts approved May 25, 2010, for a term of 3 years, through April 30, 2013, to cut weeds and grass and clean debris from empty lots. Contracts were awarded by cluster and/or specified routes. The contract cost was based on 2 cuttings per year. Mowing season generally runs from April 20 through October 1 each year.

Contracts approved with: Brilar (formerly B& L Landscaping), Clusters 5,6,7,9,10 and Part of 4, for \$700,000 over 3 years; Payne Landscaping (No. 2819573), Clusters 1,2,3, and Part of 4, for \$930,000; and Major Cement (No. 2819572) for Cluster 8 for \$100,000.

This contract with Brilar was re-submitted with an increase of \$1,618,000 to a total of \$2,318,000, to provide for an additional cut per year and to re-assign the Cluster 8; Major Cement could not provide services.

This contract was approved June 24, 2013, for a renewal of 1 year through April 30, 2014, with no increase in costs. The same unit prices indicated to continue at \$.0042 and \$.0044 per square foot.

This request is for a 90-day extension, through July 2014, with no increase to the \$2,318,000 already authorized. This extension will ensure the contractor is available at the beginning of the 2014 cutting season and give the Department time to bid and award a new contract for the remainder of the cutting season.

The extension of Contract 2819573 with Payne Landscaping is in process in the Purchasing Division.

Contract checklist, dated March 26, 2014, indicates this contract is essential to cut the grass and maintain vacant lots.

Covenant of Equal Opportunity Affidavit signed 5-24-13; TAXES: Good Through 11-26-14 and 6-30-14; Slavery Era Records Disclosure Affidavit signed 6-4-13, indicating no records to disclose; Hiring Policy Compliance Affidavit signed 16-4-13, employment application complies with requirements.

General Services - continued

2878604 No Funding – Amendment#1 To Provide a Real Estate Services Advisor – Company: CBRE, Inc., Location: 400 Renaissance Center, Suite 2500, Detroit, MI 48243 – Contract Period: Extension for Time Only: December 1, 2013 through November 30, 2014 – Contract Amount \$0.00

Original Contract Period: May 1, 2013 through November 30, 2013

An Account Number was not indicated in the Purchasing File; This contract has no expenses or revenue to the City resulting from services.

This contract was approved October 1, 2013, for a term from May 1, 2013 through November 2013. This request is for a 1 year extension, from December 2013 through November 2014. There are NO City costs or revenue associated with this contract.

The contract with CBRE (CB Richard Ellis) was authorized as a 2nd Real Estate Advisor to the City – in addition to Jones Lang LaSalle – to provide flexibility to the Department.

According to General Services, the amendment to extend the Jones Lang LaSalle contract is currently in process and will be submitted to the City Council.

Contractor to represent the City in lease negotiations, negotiate appropriate business terms and building improvements, develop strategies for consolidation to reduce cost and space requirements. The contract services indicate this contractor to produce and present a strategic master plan for all City properties utilized by General Fund Departments, to indicate how the property is used, report on the condition of the building, anticipated capital expenditures. Master plan to provide consolidating strategies to assist the City to reduce costs and space needs of the City.

Contractor fees are collected from: the landlord for any space leased by the City; the buyer for the sale of City property; from the seller, for acquisition of property on behalf of the City.

Contract checklist, dated January 29, 2014, indicates this contract is essential to assist the department with real estate transactions; Renewal is required for the continued relocation of departments.

Covenant of Equal Opportunity Affidavit signed 4-18-13; TAXES: Good Through 4-16-14 and 6-30-14; Slavery Era Records Disclosure Affidavit signed 4-18-13, indicating business established 1909, no records to disclose; Hiring Policy Compliance Affidavit signed 5-30-13, employment application indicates that pre-employment procedures require a criminal background check.

HOMELAND SECURITY

2890533 100% Federal Funding – To Provide an Emergency Response Trailer, Medical Supplies and Rehabilitation Equipment for Responders to Utilize During Emergency Situations – Company: Propac Inc., 2390 Air Park Road, North Charleston, SC 29406 – Contract Amount: \$153,838.03

Sole Source Purchase

Costs budgeted to General Grants Fund, Acct. 3601-374641-310100-644100-13620-0-A1100, Appropriation for 2011 Metro Medical Response Systems includes available funding of \$21,468 as of April 4, 2014; Funding for this contract may have been encumbered – \$246,140 has been encumbered as of April 4, 2014.

According to the Homeland Security Office, the reimbursement from the State has already been received for at least part of this contract cost; it is necessary to confirm the delivery of the equipment and supplies; and send proof of the payment to the State.

This authorization includes payment for 2 Invoices. The first invoice includes the purchase of 4 Rehab Trailers at \$22,918 each; and equipment/accessories associated with the trailer, including water coolers, whiteboard kit with pens and erasers, steel benches, electric hand wash station; all for a total cost of \$120,108.88. The 2nd Invoice is for medical supplies for a total of \$33,729.15. According to the vendor, the pre-packaged medical supplies are sold to specifically fit into the organizational structure of these trailers, and are available only from this vendor.

This equipment is required for the use of the “first responders” to have the supplies and equipment required to respond to an emergency or disaster situation.

Contract checklist, Received April 1, 2014, indicates this contract is essential for use of First Responders to ensure their protection and health during emergency conditions.

Covenant of Equal Opportunity Affidavit signed 4-12-12; TAXES: Good Through 12-14-14 and 6-30-14; Slavery Era Records Disclosure Affidavit signed 12-20-13, indicating business established 1989, no records to disclose; Hiring Policy Compliance Affidavit signed 12-20-13, employment application complies with requirements.

Homeland Security - continued

2890534 100% Federal Funding – To Provide Portable Inflatable Emergency Rehabilitation Shelters for Responders to Utilize During Emergency Situations – Company: Propac Inc., 2390 Air Park Road, North Charleston, SC 29406 – Contract Amount: \$92,302.24
Sole Source Purchase

Costs budgeted to General Grants Fund, Acct. 3601-374641-310100-644100-13620-0-A1100, Appropriation for 2011 Metro Medical Response Systems includes available funding of \$21,468 as of April 4, 2014; Funding for this contract may have been encumbered – \$246,140 has been encumbered as of April 4, 2014.

According to the Homeland Security Office, the reimbursement from the State has already been received for this contract cost; it is necessary to confirm the delivery of the equipment and supplies; and send proof of the payment to the State.

This contract is for the procurement of 4 Zumro Air Shelters, at \$14,404.57 each; Additional items included in this purchase are: Connector doors, 4 Velcro panels, 4 Inflatable Tower Lights, and 4 Light Tower Banners. Total cost of the purchase is \$90,302.24 and Freight costs of \$2,000.

The Zumro Air Shelters are indicated to be used to provide a coordinated and comprehensive interoperable sheltering and rehabilitation system for responders to use during emergency situations. This particular brand of Air Shelters ins indicated, by the vendor, to be the only portable inflatable emergency rehabilitation shelters compatible with the existing trailers, already purchased by the Detroit Office of Homeland Security.

Contract checklist, Received April 1, 2014, indicates this contract is essential for use of First Responders to ensure their protect ion and health during emergency conditions.

Covenant of Equal Opportunity Affidavit signed 4-12-12; TAXES: Good Through 12-14-14 and 6-30-14; Slavery Era Records Disclosure Affidavit signed 12-2o-13, indicating business established 1989, no records to disclose; Hiring Policy Compliance Affidavit signed 12-20-13, employment application complies with requirements.

POLICE

2890535 100% City Funding – To Provide Portable Radio Batteries for DPD Motorola Radio Equipment – Company: Motorola Solutions, Location: 1303 East Algonquin Road, Schaumburg, IL 60196 – Contract Amount: \$61,000.00
Sole Source Purchase

Costs budgeted to General Fund, Acct. 1000-370700-000166-621900-09112-0-A1082, Appropriation for Enhanced E-911 includes available funding of \$5,441,346 as of April 4, 2014.

The Request for authorization of Motorola as the Sole Source for the portable radio batteries, was approved by Purchasing Division March 14, 2014.

This request is for the purchase of 1,000 batteries at a costs of \$61 each. According to the vendor, this price is the same as the State of Michigan contract with Motorola, and is valid through June 27, 2014.

Contract checklist, dated March 18, 2014, indicates this contract is essential for the replacement of batteries used in the portable radios used by the Police Dept.; Motorola is the sole source as the manufacturer of the Police radio equipment.

Covenant of Equal Opportunity Affidavit signed 6-20-13; TAXES: Good Through 10-31-14 and 6-30-14; Slavery Era Records Disclosure Affidavit signed 6-20-13, indicating no records to disclose; Hiring Policy Compliance Affidavit NOT signed; According to Motorola, as a multi-national corporation that conducts business throughout the country, with nearly 10,000 employees; the application process does include inquiry as to the applicant's criminal conviction history.

Previous contract (No. 2839450) approved for the purchase of 1,440 New Prep Radio Batteries, used in Motorola Radios by the Police Department, was approved July 26, 2011, for \$72,000 (\$50 each battery).

PUBLIC WORKS

2887817 100% Revenue Contract Funding – To Provide a License Agreement Between City of Detroit and Extenet Systems, Inc. for Three (3) Distributed Antenna System Nodes on Three (3) Traffic Signal Poles – Company: Extenet Systems, Inc., 3030 Warrenville Road, Suite 340, Lisle, IL 60532 – Contract Period: January 10, 2014 through June 30, 2019 – Contract Amount: \$0.00

This is a Revenue Contract. The Licensee shall be authorized to install and maintain the following nodes: Node 1: Atwater Street and Beaubien Street – Node 8: Michigan Avenue at Griswold Street – Node 9: Washington Boulevard at West Larned

Revenue budgeted to Major Street Fund, Acct. 3301-193825-0-474100-06424-0-0, Appropriation for Major Street Operations includes available funding of \$34,317,545 as of April 4, 2014.

According to the Department, since Traffic Signal Maintenance is paid out of the Street Fund, the revenue generated from use of the Traffic Signal structure, goes to the Street Fund.

This contract is for authorization to Extenet Systems to install telecommunications equipment on supporting structures to 3 traffic signals in downtown Detroit, locations indicated above.

According to the information provided, the term of the contract is for 5 ½ years. The termination date is June 30, 2019; The Commencement Date is defined as the date this agreement is approved by the Emergency Manager; It does not appear that the Commencement Date has yet been set.

The cost for the use of the Traffic Signal structure is \$1,500 per location, per year, defined to be from July 1 through June 30 of the following year. For the first year, if the Commencement Date is before June 30, the annual fee will be prorated from the Commencement Date through the next June 30.

In addition to the License Fee for use of the space, the vendor, or Licensee shall pay to the City a separate fee for electric services, estimated at \$50 per year, per location; City may revise the electric fee, based upon reasonable estimates.

The minimum revenue to be received, through this agreement will be \$4,650 per year; for a total of \$23,250 for the 5 year term.

Covenant of Equal Opportunity Affidavit signed 10-7-11; TAXES: Good Through 5-4-14 and 6-30-14; Hiring Policy Compliance Affidavit and Slavery Era Records Disclosure Affidavit is not required with Revenue contracts.

Recent Agreements approved with Extenet Systems include: No. 2880519, approved Week of Aug. 12, 2013, for \$105,000 at \$5,250 per year for 20 years, installation of telecommunication equipment at 3 sites for \$1,750 per site; equipment installed at Hart Plaza, 3 antenna nodes, Belle Isle, and Chene Park.

Contract 2856367, approved Feb. 28, 2012, for a term of 5 years, through Feb. 2017, to lease 262 Public Lighting poles, for estimated revenue of \$15,810.

RECREATION

2889755 34.33% City, 65.67% State Funding – Belle Isle Livingstone Lighthouse – To Remove and Replace Joint Sealant, Repair and Resetting of Base Stones, Clean Tower Interior and Paint, Clean Bronze, Plexiglas Pane Replacement Etc. – Company: Grunwell-Cashero Company – Location: 1041 Major Avenue, Detroit, MI 48217 – Contract Period: Upon Receipt of Written Notice to Proceed and Completion within Sixty (60) Days – Contract Amount: \$56,350.00

Costs divided between 2 accounts: \$37,500 budgeted to General Grants Fund, Acct. 3601-398536-390002-632100-13572-0-RD550, Appropriation for 2012-13 Belle Isle Livingstone Lighthouse includes available funding of \$37,000 as of April 4, 2014; and

\$18,850 budgeted to General Fund, Acct. 1000-395700-011663-631100-11663-0-RD550, Appropriation for Recreation Operations includes funding of \$1,931,763 as of April 4, 2014.

This recommendation is for the Lowest of 2 bids received for this renovation project. The Second Bid received from Mihm Enterprises for \$85,247.

Contract services to include obtaining all required permits, provide a sign acknowledging funding from the Michigan Lighthouse Assistance Program; Remove and replace all sealants in the joints; Repair and reset the base stones; Clean the tower interior and paint; Clean all bronze exterior surfaces (includes door, window frames, roof, decorative motifs); Replace all Plexiglas panes surrounding beacon; Investigate the condition of the upper areas of the tower to prepare proposed scope of work to repair damages; Restore site. Contractor to provide a 5-year warranty on their materials and labor. Contractor estimates the project to be completed within 42 days.

According to information provided by the Recreation Dept., the Livingstone Lighthouse is unique, it is the only marble lighthouse in the United States; designed in an Art Deco style by Albert Kahn and built in 1929 as a memorial to William Livingstone, who was president of the Lakes Carriers Association.

The occulting light is visible for 16 miles to the east and continues to serve as a navigational aid for Great Lakes commercial freighters.

The grant agreement, dated January 25, 2012 in the amount of \$37,000, is for a 2011 Michigan Lighthouse Assistance Program grant. The completion date for the project has been extended from Sept. 30, 2013 to Sept. 30, 2014.

Contract checklist, dated Feb. 14, 2014, indicates this contract is essential to maintain and preserve a historic resource and to comply with the specifications of the grant.

Covenant of Equal Opportunity Affidavit signed 2-6-14; TAXES: Good Through 3-26-15 and 6-30-14; Hiring Policy Compliance Affidavit signed 2-6-14, employment application submitted is in compliance; Slavery Era Records Disclosure Affidavit signed 2-6-14, indicates business established 1956, no records to disclose.

DETROIT WATER AND SEWERAGE DEPARTMENT

2864125 100% City Funding – Renewal – To Provide Hauling and Disposal of Biosolids to Land Application for the Waste Water Treatment Plant – RFP 40964 – Biotech Agronomics Inc. 1651 Beulah HWY, Beulah, MI 49617; Renewal Contract Period: June 1, 2014 through May 31, 2015 – Estimated Cost \$2,104,000.00

Costs budgeted to Sewage Operation and Maintenance Fund, Acct. 5402-425120-000231-617900-00162-731003-SD918, Appropriation information was not provided by DWSD.

This request is for the renewal of this contract, for 1 year, from June 1, 2014 through May 31, 2015, for an estimated Annual Cost of \$2,104,000. The contract was approved for a unit cost at \$26.30 per ton; This has been increased, with this renewal by 50¢ to \$26.80 per ton (increase of 1.9%), for hauling and disposal of an estimated 80,000 tons.

This contract was approved June 12, 2012, for a term of 2 years, from June 1, 2012 through May 31, 2014, for total cost of \$4,208,000 - \$2,104,000 per year, at the rate of \$26.30 per ton.

After biosolids are dewatered, as part of the Wastewater Treatment process, the remaining sludge is either incinerated onsite; hauled away and disposed of in a landfill; or hauled away and used as a fertilizer on farmland.

This contract is for the land application of the biosolids from the Wastewater Treatment plant. Land application is indicated to be commonly used during warmer weather; the biosolids must be applied to the fields the same day as treated. The entire process is regulated by the State Dept. of Environmental Quality. The waste to be used for land application is required to meet specific criteria.

Covenant of Equal Opportunity Affidavit signed 2-25-14; TAXES: Good Through 3-26-15 and 12-30-14; Slavery Era Records Disclosure Affidavit, previously signed 4-4-12, indicating business established 2000, no records to disclose.